

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6946

BILL NUMBER: SB 251

DATE PREPARED: Dec 26, 2001

BILL AMENDED:

SUBJECT: Actions Involving State Liens.

FISCAL ANALYST: John Parkey

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes procedures for legal actions that involve state liens or other encumbrances on real property.

Effective Date: July 1, 2002.

Explanation of State Expenditures: The procedures established in the bill could reduce the administrative burden of the Attorney General's Office. Any staff time that becomes available as a result of this provision will be used in other areas.

Background Information: Under current law, when the state has a lien or encumbrance on real property and an action is brought concerning a lien or encumbrance on real property that has greater priority than the state's, the Attorney General's Office is required to respond to the action in order to preserve the state's rights or interest in the lien or encumbrance. This bill will allow the state's interest to be preserved even if the notice of the action is not answered.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Attorney General's Office.

Local Agencies Affected:

Information Sources: Jennifer Thuma, Assistant Director of Legislative Affairs, Attorney General's Office,

233-6143.